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## EU-27

## Citrus

## Annual

## 2008

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**Report Highlights:**

Total citrus production in the European Union for marketing year 2008/09 is expected to reach some 10.1 TMT, just 2 percent below the previous year. The good crop expected in Spain (up 18 percent from 2007) is overshadowed by bad weather conditions in Greece, Italy and Cyprus, which have experienced crop reductions of 15, 26 and 17 percent, respectively. The implementation of the European Union Common Agricultural Policy reforms will likely affect the future of the citrus sector in the producing countries, though the affects will vary from country to country, as transitional periods differ among Member States.

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Includes PSD Changes: Yes  
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Annual Report  
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**DISCLAIMER**

The PS&D numbers in this report are not official USDA numbers. They are the result of a group effort by the individual FAS EU offices to consolidate PS&Ds of European Union members.

This report updates the April 2008 voluntary report on EU fresh citrus. The production, supply and demand tables for producing countries throughout the European Union (EU) have been consolidated into this one report. EC policies generally permit application flexibilities at the Member State level. Information regarding specific MS application of EC policies resides with the respective USDA/FAS MS analysts.

The supply and demand tables include hectares planted and harvested, and production statistics from the respective MS Ministries of Agriculture. FAS Member State analysts provided all estimates and forecasts. In addition, Global Trade Atlas (GTA) trade data was utilized, excluding EU intra-trade, except in the case of current-year estimates and out-year forecasts. Reasonable, yet variable, stock levels that facilitate continued and consistent per capita domestic consumption were determined.

The authors wish to recognize the assistance of colleagues who provided both data and text. The collaboration of the following FAS colleagues was critical in the preparation of this report:

Sandro Perini, FAS/Rome  
Stamatis Sekliziotis, FAS/Athens

**Abbreviations used in this report:**

CMO	Common Market Organization
EC	European Commission
EU	European Union
FAS	Foreign Agricultural Service
MS	EU Member State(s)
MT	Metric ton (1000 kg)
MY	Marketing year (November/October for citrus)
PO	Production organization
PS&D	Production, Supply and Demand
TMT	Thousand metric tons

## Executive Summary

Total citrus production in the European Union for marketing year 2008/09 is expected to reach some 10.1 TMT, just 2 percent below the previous year. The good crop expected in Spain (up 18 percent from 2007) is overshadowed by bad weather conditions in Greece, Italy and Cyprus, which have experienced crop reductions of 15, 26 and 17 percent, respectively.

The implementation of the European Union Common Agricultural Policy reforms will likely affect the future of the citrus sector in the producing countries, though the affects will vary from country to country, as transitional periods differ among Member States.

## EU Citrus Production

The EU-27 is one of the main producers of citrus fruit in the world. Spain, Greece and Italy are the main producing MS and together account for almost all EU citrus production. Citrus production in this report includes oranges, tangerines and lemons.

Total citrus production in the EU for MY 2008/09 is expected to reach some 10.1 TMT, just 2 percent below the previous year's production. The good crop expected in Spain (up 18 percent from 2007) is overshadowed by bad weather conditions in Greece, Italy and Cyprus, which experienced a reduction in their citrus crops of 15, 26 and 17 percent, respectively.

Spain is expecting a good production year for all products, thanks to excellent weather conditions in the producing regions. In the case of oranges, quality in general is good, with correct organoleptic characteristics. The orange crop in Marketing Year (MY) 2008/09 is forecast to reach 3,370 TMT, up almost 23 percent from last year; lemons are expected to reach 669 TMT, a 30 percent increase from the previous crop; and tangerines are forecast at 2,196 TMT, up 8 percent from MY 2007/08.

In Greece, all citrus crops are smaller this year due to spring frosts and a hot summer, which resulted in high fruit loss. Most affected was the clementine crop in northwest Greece. The MY 2008/09 orange crop is expected to reach 802 TMT, about 14 percent lower than the 2007 harvest. Lemons are forecast at 30 TMT. Tangerines (including clementines) are estimated at 58 TMT, reflecting an 11 percent decline from 2007.

In Italy, below zero winter temperatures in many production areas resulted in widespread citrus crop declines. For MY 2008/09, oranges are expected to reach 1,700 TMT; 500 TMT for lemons, and 680 TMT for tangerines – indicating 33, 13 and 10 percent declines from the 2007 crops, respectively.

As grapefruit is a minor crop in the EU, PS&D tables are not included in this report. EU grapefruit production for MY 2007/08 was roughly 82 TMT -- 46 TMT produced by Spain, 29 TMT by Cyprus and 7 TMT in Greece. For MY 2008/09, the forecast is 81 TMT -- 50 TMT, 23 TMT and 7 TMT produced by Spain, Cyprus and Greece, respectively.

## EU Citrus Production Policy

EC Regulation 1182/2007 establishes common specific rules for the fruit and vegetable sector, defines the rules for the decoupled support and the integration of the support for fruit and vegetables into the single payment scheme, including citrus for processing.

Member States should make provision for the establishment of reference amounts and eligible hectares under the single payment scheme on the basis of a representative period appropriate to the market of each fruit and vegetable product and of appropriate objective and non-discriminatory criteria. Areas planted with fruit and vegetables, including permanent fruits and vegetables as well as nurseries, should be eligible for the single payment scheme. In order to provide time for the sectors concerned to adapt to their integration into the single payment scheme, transitional periods should be provided. In particular, provision should be made for decoupled fruit and vegetable payments and temporary coupled area subsidies for certain products intended for processing, which were eligible under the previous provisions.

### Article 8 – Operational Funds

The operational funds established by producer organizations (POs) are financed in equal parts by the producers and the EC. In regions where the level of production isn't sufficient to organize a PO, the Member States may allocate a complementary subsidy. The funds are meant to finance market withdrawals, operational programs approved by national authorities or action plans presented by a pre-recognized PO. The proportion of the operational fund earmarked for withdrawals is a maximum of 30 percent. Financial assistance may not exceed 4.1 percent of the value of the products marketed by the organization.

### Article 9 – Operational Programs

Operational programs are reportedly meant to help producers improve commodity production, marketing, and environmental and phytosanitary conditions. The multi-annual operational programs must be approved by the MS Government and provide for two or more of the following objectives: planning of production; improvement of product quality; boosting the commercial value of products; promotion of the products, whether in a fresh or processed form; environmental measures and methods of production respecting the environment, including organic farming; crisis prevention and management may include market withdrawal; green harvesting or non-harvesting of fruit and vegetables; promotion and communication; training measures; harvest insurance; support for the administrative costs of setting up mutual funds.

### Article 10 – Community Financial Assistance

The EC financial contribution may be equal to the amount of the PO member financial contribution but limited to 50 percent of the actual PO's expenses.

### Article 12 – National Framework and National Strategy for Operational Programs

Each MS is required to establish a national strategy for sustainable operational programs in the fruit and vegetable market. The strategy must be approved by the EC.

**Overview of the implementation of the Fruit and Vegetables Reform****Citrus Fruits**

Country	Products	Implementation of the Fruit and Vegetables Reform (Coupled support payment)	Decoupled support payment from production	Transitional period
Spain	Citrus Fruits	Until end 2009: 100% of the envelope for citrus fruits intended for processing	0%	01/01/2008-12/31/2009 (2 years)
Italy	Citrus Fruits	-	As of 01/01/2008: 100% decoupling for both fresh and processing	-
Greece	Citrus Fruits	Until end 2012: 60% of the envelope for citrus fruits intended for processing	40%	01/01/2008-12/31/2012 (5 years)
Cyprus	Citrus Fruits	Until end 2010: 100% of national envelope for citrus fruits Until end 2012: 75% of national envelope for citrus fruits	Until end 2010: 0% Until end 2012: 25%	01/01/2008-12/31/2010 (3 years) 01/01/2011-12/31/2012 (2 years)

For further details on the CMO for fruits and vegetables please refer to report E48001, which can be accessed at: <http://www.fas.usda.gov/gainfiles/200801/146293410.pdf>

**EU Citrus Trade Policy**

**Tariff Rate/Quotas:** Annex I - EC 973/2006 establishes tariff rate quotas (TRQs) bound under GATT.

Combined Nomenclature/ TARIC subheading	Description	Quota Period	Quota Volume (tonnes)	Duty rate (%)
0805.50.10	Lemons ( <i>Citrus Limon</i> , <i>Citrus Limonum</i> )	15 January to 14 June	10,000	6

**EU Citrus Market Enhancement Policy**

EC 3/2008 establishes citrus fruit (among others) market promotion measures for agricultural products within the EU-27 and in third countries.

Information and promotion measures: Article 2

The primary interest in promoting farm products lies with producers, wholesalers and retailers, the processing industry, exporters and Member States. Some promotion measures include public relations work, promotion and advertising, and information campaigns. On the internal market, measures may take the form of participation in events, fairs and exhibitions of national or European importance. In third countries, promotion measures may include participation in events, fairs and exhibitions of international importance, studies of new markets necessary for the expansion of market outlets and high-level trade visits.

## Commodity Name: Oranges, Fresh

PSD Table												
Country	EU-27											
Commodity	Oranges, Fresh											
							(HECTARES)			(1000 TREES)		(1000 MT)
	2006	Revised		2007	Estimate		2008	Forecast		UOM		
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New			
Market Year Begin		11/2006	11/2006		11/2007	11/2007		11/2008	11/2008		MM/YYYY	
Area Planted	303947	303947	286011	304142	304142	285642	0	303650	285615		(HECTARES)	
Area Harvested	279518	279518	266242	282013	282013	266025	0	282000	266763		(HECTARES)	
Bearing Trees	0	0	0	0	0	0	0	0	0		(1000 TREES)	
Non-Bearing Trees	0	0	0	0	0	0	0	0	0		(1000 TREES)	
Total No. Of Trees	0	0	0	0	0	0	0	0	0		(1000 TREES)	
Production	6846	6486	6621	5999	5999	6281	0	6000	5934		(1000 MT)	
Imports	1022	1022	1022	1000	1000	1000	0	1000	1000		(1000 MT)	
Total Supply	7508	7508	7643	6999	6999	7281	0	7000	6934		(1000 MT)	
Exports, Fresh	260	260	260	250	250	250	0	250	250		(1000 MT)	
Fresh Dom. Consumption	5040	5040	5046	4619	4619	4878	0	4750	4706		(1000 MT)	
For Processing	2208	2208	2337	2130	2130	2153	0	2000	1978		(1000 MT)	
Total Distribution	7508	7508	7643	6999	6999	7281	0	7000	6934		(1000 MT)	

Explanation of the data sources for all of the tables in this report, with the exception of orange juice:

- The 2006 area planted/harvested/production/deliveries for processing estimates are provided by the Ministries of Agriculture in Spain, Italy and Greece, while the same category 2007 and 2008 estimates and forecasts are provided by FAS/Europe analysts.
- FAS/Europe analysts provided the 2006-08 fresh domestic consumption estimates and forecasts.
- Global Trade Atlas provided the 2006 import/export estimates, and FAS/Europe analysts calculated the 2007 and 2008 trade estimates and forecasts.

## Trade Tables

**Import Trade Matrix****Country**

EU-27

**Commodity**

Oranges, Fresh

Time Period

Nov/Oct

Units:

Metric Tons

Imports for:

2006

**2007**

U.S.

85

U.S.

100

Others

Others

S. Africa	439,456	S. Africa	500,000
Argentina	117,102	Argentina	120,000
Egypt	109,031	Egypt	100,000
Morocco	96,974	Morocco	100,000
Uruguay	71,578	Uruguay	90,000
Turkey	39,875	Brazil	40,000
Brazil	34,284	Turkey	40,000
Total for Others	908,300		990,000
Others not Listed	113,712		9,900
Grand Total	1,022,097		1,000,000

**Export Trade Matrix****Country**

EU-27

**Commodity**

Oranges, Fresh

Time Period

Nov/Oct

Units:

Metric Tons

Exports for:

2006

**2007**

U.S.

26,516

U.S.

30,000

Others

Others

Switzerland	55,877	Switzerland	60,000
Norway	32,826	Norway	35,000
Serbia	26,059	Croatia	29,000
Croatia	25,829	Serbia	25,000
Albania	19,268	Albania	20,000
Bosnia & Herzegovina	12,101	Bosnia & Herzegovina	10,000
Total for Others	171,960		179,000
Others not Listed	61,948		41,000
Grand Total	260,424		250,000

Commodity Name: Tangerines/Mandarins, Fresh

PSD Table										
Country	EU-27									
Commodity	Tangerines/Mandarins, Fresh									
	2006			2007			2008			UOM
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin	11/2006		11/2006	11/2007		11/2007	11/2008		11/2008	MM/YYYY
Area Planted	160726	160726	166809	160626	160626	166791	0	157709	167345	(HECTARES)
Area Harvested	153976	153976	149438	157374	154374	149722	0	151500	150607	(HECTARES)
Bearing Trees	0	0	0	0	0	0	0	0	0	(1000 TREES)
Non-Bearing Trees	0	0	0	0	0	0	0	0	0	(1000 TREES)
Total No. Of Trees	0	0	0	0	0	0	0	0	0	(1000 TREES)
Production	3391	3391	3305	2744	2744	2920	0	3205	2974	(1000 MT)
Imports	367	367	367	400	400	400	0	350	350	(1000 MT)
Total Supply	3758	3758	3672	3144	3144	3320	0	3555	3324	(1000 MT)
Exports, Fresh	247	247	247	250	250	250	0	250	250	(1000 MT)
Fresh Dom. Consumption	2772	2772	2721	2368	2368	2575	0	2714	2579	(1000 MT)
For Processing	739	739	704	526	526	495	0	591	495	(1000 MT)
Total Distribution	3758	3758	3672	3144	3144	3320	0	3555	3324	(1000 MT)

## Trade Tables

**Import Trade Matrix****Country**

EU-27

**Commodity**

Tangerines/Mandarins, Fresh

Time Period

Nov/Oct

Units:

Metric Tons

Imports for:

2006

**2007**

U.S.

U.S.

0

Others

Others

Morocco	82,317	Morocco	100,000
Turkey	80,239	Turkey	90,000
S. Africa	67,774	S. Africa	70,000
Uruguay	33,820	Argentina	40,000
Argentina	32,143	Uruguay	30,000
Israel	27,306	Israel	30,000
Peru	18,471	Peru	20,000
Total for Others	342,070		380,000
Others not Listed	24,640		20,000
Grand Total	366,710		400,000

**Export Trade Matrix****Country**

EU-27

**Commodity**

Tangerines/Mandarins, Fresh

Time Period

Nov/Oct

Units:

Metric Tons

Imports for:

2006

**2007**

U.S.

U.S.

80,000

Others

Others

Switzerland	40,480	Switzerland	45,000
Russia	36,274	Russia	40,000
Norway	22,273	Norway	25,000
Ukraine	18,434	Ukraine	20,000
Belarus	13,329	Belarus	15,000
Albania	10,407	Albania	10,000
Total for Others	141,197		155,000
Others not Listed	34,847		15,000
Grand Total	246,680		250,000

Commodity Name: Lemons, Fresh

PSD Table										
Country	EU-27									
Commodity	Lemons, Fresh									
							(HECTARES)(1000 TREES)(1000 MT)			
	2006	Revised		2007	Estimate		2008	Forecast		UOM
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin		11/2006	11/2006		11/2007	11/2007		11/2008	11/2008	MM/YYYY
Area Planted	83535	83535	86059	83629	83629	84491	0	83373	81542	(HECTARES)
Area Harvested	79711	79711	82293	78851	78851	81780	0	78800	77432	(HECTARES)
Bearing Trees	0	0	0	0	0	0	0	0	0	(1000 TREES)
Non-Bearing Trees	0	0	0	0	0	0	0	0	0	(1000 TREES)
Total No. Of Trees	0	0	0	0	0	0	0	0	0	(1000 TREES)
Production	1463	1463	1497	1136	1136	1127	0	1445	1209	(1000 MT)
Imports	415	415	415	350	350	500	0	300	400	(1000 MT)
Total Supply	1878	1878	1912	1486	1486	1627	0	1745	1609	(1000 MT)
Exports, Fresh	92	92	92	40	40	60	0	50	50	(1000 MT)
Fresh Dom. Consumptio	1241	1241	1356	943	943	1163	0	1142	1105	(1000 MT)
For Processing	545	545	464	503	503	404	0	553	454	(1000 MT)
Total Distribution	1878	1878	1912	1486	1486	1627	0	1745	1609	(1000 MT)

## Trade Tables

**Import Trade Matrix****Country**

EU-27

**Commodity**

Lemons, Fresh

Time Period

Nov/Oct

Units:

Metric Tons

Imports for:

2006

**2007**

U.S.

U.S.

0

Others

Others

Argentina	218,853	Argentina	250,000
Turkey	89,631	Turkey	90,000
Brazil	47,169	South Africa	60,000
South Africa	30,566	Brazil	50,000
Mexico	13,026	Morocco	15,000
Uruguay	9,709	Mexico	10,000
Total for Others	408,954		475,000
Others not Listed	5,690		25,000
Grand Total	414,669		500,000

**Export Trade Matrix****Country**

EU-27

**Commodity**

Lemons, Fresh

Time Period

Nov/Oct

Units:

Metric Tons

Exports for:

2006

**2007**

U.S.

U.S.

5,000

Others

Others

Russia	28,496	Russia	25,000
Switzerland	12,823	Switzerland	11,000
Croatia	6,218	Ukraine	4,000
Ukraine	5,265	Croatia	4,000
Norway	3,857	Norway	3,000
Canada	3,673	Serbia	3,000
Total for Others	60,332		40,000
Others not Listed	15,971		15,000
Grand Total	92,163		60,000

## Commodity Name: Orange Juice

PSD Table											
Country	EU-27			65 Degrees Brix							
Commodity	Orange Juice						(MT)				
	2006	Revised	Post	2007	Estimate	Post	2008	Forecast	Post	UOM	
	USDA	Post	Estimate	USDA	Post	Estimate	USDA	Post	Estimate		
	Official	Estimate	New	Official	Estimate	New	Official	Estimate	New		
Market Year Begin		11/2006	11/2006		11/2007	11/2007		11/2008	11/2008	MM/YYYY	
Deliv. To Processors	2208000	2208000	2337000	2130000	2130000	2153000	0	2000000	1978000	(MT)	
Beginning Stocks	50000	50000	50000	10000	10000	10000	15000	15000	15000	(MT)	
Production	152175	152175	161066	146800	146800	148385	0	137840	136324	(MT)	
Imports	666836	666836	666836	670000	670000	620000	0	650000	600000	(MT)	
Total Supply	869011	869011	877902	826800	826800	778385	15000	802840	751324	(MT)	
Exports	13662	13662	13662	10000	10000	15000	0	10000	15000	(MT)	
Domestic Consumption	845349	845349	854240	801800	801800	748385	0	777840	721324	(MT)	
Ending Stocks	10000	10000	10000	15000	15000	15000	0	15000	15000	(MT)	
Total Distribution	869011	869011	877902	826800	826800	778385	0	802840	751324	(MT)	

Sources:

- The Ministries of Agriculture in Spain, Italy and Greece provided 2006 to processor estimates, while 2007 and 2008 are FAS/Europe estimates and forecasts.
- FAS/Europe analysts established 2006-08 beginning and ending stocks, and domestic consumption estimates and forecasts.
- Global Trade Atlas data was used for 2006 imports and exports, while FAS/Europe provided the 2007 and 2008 trade estimates and forecasts.

## Trade Tables

**Import Trade Matrix****Country**

EU-27

**Commodity**

Orange Juice

Time Period

Nov/Oct

Units:

Metric Tons

Imports for:

2006

**2007**

U.S.

6,587

U.S.

8,000

Others

Others

Brazil	538,211	Brazil	480,000
Switzerland	80,228	Switzerland	93,000
Israel	12,384	Israel	12,000
Cuba	8,952	Cuba	10,000
Bosnia & Herzegovina	3,750	Bosnia & Herzegovina	3,000
S. Africa	2,774	S. Africa	2,000
Argentina	2,736	Argentina	2,000
Total for Others	649,035		602,000
Others not Listed	11,214		10,000
Grand Total	666,836		620,000

**Export Trade Matrix****Country**

EU-27

**Commodity**

Orange Juice

Time Period

Nov/Oct

Units:

Metric Tons

Exports for:

2006

**2007**

U.S.

306

U.S.

500

Others

Others

Switzerland	2,137	Switzerland	2,500
Norway	1,470	Norway	1,500
Russia	1,092	Russia	1,200
Saudi Arabia	573	Japan	1,000
United Arab Emirates	557	Saudi Arabia	800
Algeria	349	United Arab Emirates	500
Kazakhstan	308	Kazakhstan	300
Lybia	305		
Morocco	291		
Total for Others	7,082		7,800
Others not Listed	6,274		6,700
Grand Total	13,662		15,000

**Related reports from FAS EU offices**

E48048	EU-27 – Voluntary Annual <a href="http://www.fas.usda.gov/gainfiles/200804/146294496.pdf">http://www.fas.usda.gov/gainfiles/200804/146294496.pdf</a>	04/28/2008
GR7020	Greece – Annual Report <a href="http://www.fas.usda.gov/gainfiles/200801/146293459.pdf">http://www.fas.usda.gov/gainfiles/200801/146293459.pdf</a>	01/14/2008
SP7032	Spain - Annual Report <a href="http://www.fas.usda.gov/gainfiles/200711/146292931.pdf">http://www.fas.usda.gov/gainfiles/200711/146292931.pdf</a>	11/05/2007

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